

**BOARD OF DIRECTORS – ACTION SUMMARY**  
**Wednesday, May 26, 2004 – 6:00 p.m.**

**Administration Building**  
**2101 Hurley Way, Sacramento, CA**

**CALL TO ORDER**

The meeting was called to order by Vice President Jones. Board Members present: Duveneck, Engellenner, Jones, Lawson, Valley. Directors Goold, Granados, Stewart, Trujillo, absent. Staff: Deputy Chief Ritter, General Counsel Price, Board Clerk Tilson.

**PLEDGE OF ALLEGIANCE**

**PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA**

**CONSENT AGENDA:**

**1. Board Meeting Action Summary—May 12, 2004**

- **Board Action:**  
*Engellenner/Duveneck—approve the Consent Agenda. Directors Duveneck, Engellenner, Jones, Lawson, Valley, AYE. Directors Goold, Granados, Stewart, Trujillo, absent. Motion carried.*

**ACTION ITEM(S)**

**1. Health Benefits for Former Florin Fire District Employees—(Appel)**

- A two-page staff report was submitted with background information. The medical premium costs for former retired Florin Fire District employees were subsidized from SCERS excess earnings. Due to lower investment returns, annuitants were notified by the County that the health benefit premiums will no longer be subsidized as of July 2004. The District was contacted by the former Florin employees and asked if the District would pay the amount previously subsidized by the SCERS excess earnings.
- A report was distributed to the Board containing the cost of medical health premiums subsidized by the SCERS with a maximum obligation of \$92,949.80, as shown for fiscal year 2002/03, if the District elects to pay the premiums.
- Staff recommends the Board consider adopting a policy stating the District will only pay for one health benefits program for its retirees, and provide direction to staff on exploring the legality of subsidizing the health benefits costs of the former Florin employees, and possibly lowering the premium if the Board elects to continue the subsidy.

- The Finance Committee approved the staff recommendation to pursue this issue further.
- Counsel Price stated the issue of other involved agencies will be researched but most of the other agencies absorbed into Metro Fire were members of PERS and, under PERS law, active and retired employees for benefit purposes have to be treated equally.
- Counsel Price advised Director Valley that it was legal to provide Local 522 with copies of their previous letters which he had covering these issues.
- Time sensitive issue requiring action prior to July 1, 2004.
- **Board Action:**  
*Staff directed to continue research and bring back further staff recommendations that would be in accordance with the findings.*

## 2. Funding for Workers' Compensation Reserve Account—(Appel)

- A presentation was received from the District's actuary at the April 28, 2004 Board meeting indicating that the current status of the District's Workers' Compensation Reserve Account reserves were below the desired confidence level.
- Recommended unexpended fund balances committed to the Workers' Compensation Program be transferred into the Reserve Account; for example:

Fund Balance from 2003/04 Budget	\$ 200,000 (estimated)
Excess Insurance Premium for 2004/05	\$ 250,000 (budgeted)
ASC Checking Account Balance	\$ 50,000 (received in 2003)
Insurance Proceeds	\$ 16,000 (estimated)
Mandated Reimburse Claims	\$ 300,000 (filed with State)
 Total Potential Available Funds For Transfer To Workers' Compensation Reserve Account	 \$ 816,000
- Staff recommends the Board consider developing a policy establishing 75% to 85% as the desired "confidence level" for the District's Workers' Compensation program, and consider developing a policy that would commit transferring available fund balances and/or reimbursements originally allocated to Workers' Compensation into the Workers' Compensation Reserve Account until the desired "confidence level" is achieved.

- Finance Committee at its meeting supported the staff recommendation.
- **Board Action:**  
*Duveneck/Lawson—approve the staff recommendation. Directors Duveneck, Engellenner, Jones, Lawson, Valley, AYE. Directors Goold, Granados, Stewart, Trujillo, absent. Motion carried.*

### 3. Fiscal Impact of Assembly Bill 2406—(Appel)

- AB-2406, as amended, now applies to all fire departments instead of only city and county fire departments. The bill incorporates language requiring reporting under the National Fire Incident Reporting System (NFIRS) and references the staffing and response standards of National Fire Protection Association (NFPA) 1710, requiring four-person engine companies and four-minute response times.
- The District does not have sufficient funding to meet the provisions of AB-2406, as amended.
- Staff recommends the Board oppose AB-2406 unless amended to reference the provisions of NFPA 1710 as a “goal” instead of a “standard,” and assure adequate funding is provided to cover all costs associated with converting from the CFIRS to NFIRS reporting system.
- As a non-urgency measure, this legislation if passed would be effective January 1, 2005.
- **Board Action:**  
*Engellenner/Duveneck—approve the staff recommendation. Directors Duveneck, Engellenner, Jones, Lawson, Valley, AYE. Directors Goold, Granados, Stewart, Trujillo, absent. Motion carried.*

### 4. Resolution No. 30-04—Direct the Sale of Surplus Property—(Horel)

- The Board adopted Resolution No. 22-04 on March 17, 2004, declaring approximately 0.6 acres of District-owned real property located behind Station 109 at 5634 Robertson Avenue in Carmichael as surplus and authorized the sale in accordance with District procedures.

- The following five bids for purchase of the real property were received:

<u>Bidder</u>	<u>Deposit</u>	<u>Bid Amount</u>
CB Richard Ellis Peter Nixon and/or Assignee Roseville, CA	\$5,000	\$62,000
Pyron G. McMillen Carmichael, CA	\$5,000	\$55,000
Carmichael Presbyterian Church Carmichael, CA	\$5,000	\$75,000
Victor H. Campbell Sacramento, CA	\$5,000	\$58,601.99
Carmichael Water District Carmichael, CA	\$5,000	\$152,500

- District staff contacted all bidders following the bid opening to advise them of the bid results. Mr. Steve Nugent, General Manager of the Carmichael Water District, confirmed his district's interest to purchase the property for \$152,500.
- Staff recommends the Board adopt the Resolution to accept the Carmichael Water District bid to acquire the surplus property for the purchase price of \$152,500 and direct staff to complete the sale of the property.
- **Board Action:**  
*Valley/Engellenner—Adopt the Resolution. Directors Duveneck, Engellenner, Jones, Lawson, Valley, AYE. Directors Goold, Granados, Stewart, Trujillo, absent. Motion carried.*

**5. Resolution No. 31-04—Appropriate Funds for Real Property Acquisition—(Horel)**

- The Board at its meeting on April 28, 2004, authorized the purchase of properties at 8645 Greenback Lane and 8681 Greenback Lane to serve as a new fire station site in Orangevale. A transfer of funds is required prior to the close of escrow in June 2004.

- Staff recommends adoption of the Resolution to appropriate \$2,210,000 from the Capital Improvement Reserve and transfer to the 2003/2004 Budget for Land Acquisition.
- **Board Action:**  
*Engellenner/Valley—Adopt the Resolution. Directors Duveneck, Engellenner, Jones, Lawson, Valley, AYE. Directors Goold, Granados, Stewart, Trujillo, absent. Motion carried.*

#### 6. Service Agreement With E-Motion Video, Inc.—(Perkins/Ellis)

- Staff recommends the Fire Chief be authorized to enter into the agreement with an increase in the expenditure from \$100,000 approved at the last Board meeting to \$118,600. This cost is for the production of four 30-minute shows and a promotional video, for one year.

The increased cost is attributed to the inability to utilize the existing videos produced over the last three years due to intellectual property rights [Peppers & Associates].

The Community Services budget contains adequate available funds with no anticipated increase in cost between the preliminary and final budget.

- District personnel and equipment will be utilized for the production when possible.
- **Board Action:**  
*Engellenner/Duveneck—Approve the staff recommendation. Directors Duveneck, Engellenner, Jones, Lawson, Valley, AYE. Directors Goold, Granados, Stewart, Trujillo, absent. Motion carried.*

**PRESENTATION ITEM(S):** None.

**PRESIDENT'S REPORT—(Stewart)** None

#### **FIRE CHIEF'S REPORT—(Deputy Chief Ritter)**

- 2004 Metropolitan Fire Chiefs Conference closing ceremonies held this evening.
- Fire Prevention Bureau has been investigating numerous fires along the American River in the Mississippi Bar area, with an arrest yesterday. During a night stakeout, one of the officers encountered a sudden movement and heavy breathing. Pepper spray was used and it took off, possibly a mountain lion; so investigating fires is dangerous business, too.

**GENERAL COUNSEL'S REPORT—(Price)** None.

**COMMITTEE AND DELEGATE REPORTS:**

**Executive Committee—(Stewart)**

- Next meeting: TBA

**Communications Center Delegate—(Engellenner)**

- Three final candidates to be interviewed on Friday, May 28. The Board will be informed of the Comm Center Manager selection.
- Next Meeting: June 29, 2004 – 10:30 a.m.

**California Fire & Rescue Training Authority—(Goold)**

- Next Meeting: June 7, 2004 – 10:00 a.m.

**Finance Committee—(Jones)**

- Next Meeting June 23, 2004 at 5:00 p.m.

**Policy Committee—(Granados)**

- Next meeting: June 9, 2004 – 5:00 p.m.

**CLOSED SESSION:** None

**1. PERSONNEL MATTERS**

Pursuant to the California Government Code Section 54957  
Communications Center

Rescheduled to the next Board meeting on June 9, 2004.

**BOARD QUESTIONS AND COMMENTS****Engellenner:**

- Attended the training session last Wednesday in Elk Grove. It was an excellent program with a number of elected officials in attendance. Everyone he heard commented that they now have a better understanding of what firefighters go through. For all members of the Board who have never participated in any type of fire exercise, he would like to see Metro conduct a similar program. Directors Goold, Granados, and Lawson also enjoyed the program.

**Lawson:**

- Echoed the same sentiments. It was his first exposure to the training facility. Complimented all those involved.
- Thanked Chuck Horel for his presentation, along with Captain Pat Ellis and Chief Dan Haverty who made the presentation for Fire Station 32 last week. They did a very professional job.

**ADJOURNMENT:** The meeting was adjourned at 7:05 p.m.

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James M. Stewart, President

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H. Peter Engellenner, Secretary

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Charlotte Tilson, Clerk of the Board